



# Australian Bureau of Statistics

## 6102.0 - Labour Statistics: Concepts, Sources and Methods, 2001

ARCHIVED ISSUE Released at 11:30 AM (CANBERRA TIME) 18/05/2001 Ceased

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### INTRODUCTION

15.1 Statistics need to be arranged in a coherent structure for compilation and analysis, and to facilitate comparison and combining with other statistical series. This chapter outlines the standard economic, socio-demographic, and geographic classifications used to aggregate labour statistics.

### ECONOMIC CLASSIFICATIONS

15.2 The standard economic classifications used in the production of labour statistics are industry and sector. These are discussed below.

### INDUSTRY

15.3 An industry classification arranges economic activity into ordered categories or groups for analysis. The role of an industry classification therefore is to provide a framework which enables the grouping of businesses which carry out similar economic activity. The Australian and New Zealand Standard Industrial Classification 1993 (ANZSIC) is the standard industry classification used in Australia for the collection, compilation and publication of statistics by industry. It closely aligns with the International Standard Industrial Classification of All Economic Activities (ISIC), Revision 3, adopted by the United Nations Statistical Commission.

15.4 The ANZSIC has a structure comprising four levels: Divisions (the broadest level), Subdivisions, Groups and Classes (the finest level). At the divisional level, the main purpose is to provide a limited number of categories that will provide a broad overall picture of the economy and hence be suitable for publication in summary tables in official statistics. There are 17 divisions within the ANZSIC, each identified by an alphabetical character.

A	Agriculture, Forestry and Fishing
B	Mining
C	Manufacturing
D	Electricity, Gas and Water Supply
E	Construction
F	Wholesale Trade
G	Retail Trade
H	Accommodation, Cafes and Restaurants
I	Transport and Storage
J	Communication Services
K	Finance and Insurance
L	Property and Business Services
M	Government Administration and Defence
N	Education
O	Health and Community Services

15.5 The subdivision, group and class levels provide increasingly detailed dissections of the broad categories. For further information on ANZSIC, refer to **Australian and New Zealand Standard Industrial Classification 1993** (Cat. no. 1292.0).

## SECTOR

15.6 There are a number of standard classifications which involve dividing the national economy into broad economic sectors. This enables information to be provided about groups of economic units, such as financial corporations or households, that have similar economic functions and institutional characteristics. These classifications are described within the Standard Economic Sector Classifications of Australia (SESCA), the most relevant classifications for labour statistics being the Public/Private classification and the Level of Government classification.

### Public/private sector

15.7 The public/private classification is used to identify whether an enterprise is a public or private unit. The public sector includes all government units, such as government departments, non-market non-profit institutions that are controlled and mainly financed by government, and corporations and quasi-corporations that are controlled by government. The private sector includes all other enterprises.

### Level of government

15.8 The level of government classification is based on the economic function or role of public sector units and enables identification of public sector units by the level of government in which they operate. The classification has the following structure:

- National (or Commonwealth) Government - all public sector units that have a national role or function; i.e. the political authority underlying their functions extends over the entire territory of Australia, or the functions involve policies that are primarily of concern at the national level. Currently included are all Commonwealth government controlled units;
- State/Territory Government - all public sector units that have a State/Territory role or function; i.e. the political authority underlying their functions is limited to a State or Territory, or the functions involve policies that are primarily of concern at a State or Territory level. Currently included are all State/Territory government controlled units; and
- Local government - all public sector units that have a local role or function; i.e. the political authority underlying their function is limited to a local government area or other region within a State or Territory, or the functions involve policies that are primarily of concern at the local level. Currently included are all local government authorities and the units they control.

Note that when a public sector unit cannot be defined unambiguously as under the control of a single government, that unit will be classified to the level of government which typically has that role or function.

15.9 For more information on the classifications within the SESA refer to **Standard Economic Sector Classifications of Australia** (Cat. no. 1218.0).

## **SOCIO-DEMOGRAPHIC CLASSIFICATIONS**

15.10 A range of socio-demographic data is available from labour-related household collections. Standard classifications used in the presentation of labour aggregates include age, sex, birthplace, marital status, families and households, schooling and educational qualifications, language, occupation and Indigenous status. Statistical standards for social and demographic variables have been developed by the ABS. Those relating to marital status, families and households, post-school educational qualifications, language, and Indigenous status are discussed below. Occupation is discussed in Chapter 4.

### **MARITAL STATUS**

15.11 Marital status is a core variable in a wide range of social, labour and demographic statistics, and is almost universally collected in ABS household collections. Its main purpose is to establish the living arrangements of couples in the Australian population. These living arrangements may be based on a legal concept (i.e. registered marriage), or a social, marriage-like arrangement (i.e. de facto marriage). Two separate concepts of marital status are measured, Registered Marital Status and Social Marital Status. These are discussed briefly below. For more information on the marital status classifications refer to the ABS Statistical Concepts Library available online at [www.abs.gov.au](http://www.abs.gov.au).

#### **Registered marital status**

15.12 Registered marital status is a person's relationship status in terms of whether he or she has, or has had, a registered marriage with another person for whom he or she holds, or held, a valid marriage certificate. Persons may be distinguished as:

- Never married
- Widowed
- Divorced
- Separated
- Married

#### **Social marital status**

15.13 Social marital status is a person's relationship status in terms of whether he or she forms a couple relationship with another person. A couple relationship is based on a consensual union, and is defined as two people usually residing in the same household who share a social, economic and emotional bond usually associated with marriage, and who consider their relationship to be a marriage or marriage-like union. This relationship is identified by the presence of a registered marriage or de facto marriage. Persons may be distinguished as:

- Married
- Registered marriage
- De facto marriage
- Not married

## FAMILIES AND HOUSEHOLDS

15.14 The concepts of families and households are fundamental in the collection and dissemination of both social and labour statistics. A household can be thought of, in its broadest sense, as a group of people who live and eat together as a single unit within a dwelling. Notions of what constitutes a family vary. However, it is operationally defined within ABS collections as two or more related (by blood, marriage, adoption, step or fostering) persons, one of whom is at least 15 years of age, who are usually resident in the same household. Households and families constitute the basic groups of social aggregation. While the concept of household is broader than the concept of family, in practice both refer often to the same set of people. Discussed briefly below are the classifications: Household Type; Relationship in Household; Family Type; and Relationship between Families. For further information on these classifications refer to **Standards for Statistics on the Family** (Cat. no. 1286.0).

### Household Type

15.15 Statistics on household type provide information on the number and composition of households. Household Type is used to describe and categorise households on the basis of the number of families present, whether or not non-family members are present (family households only), and the number of household members (non-family households only). The standard Household Type classification is:

- Family household with only family members present
  - One family household
  - Two family household
  - Three or more family household
- Family household with non-family members present
  - One family household with non-family members present
  - Two family household with non-family members present
  - Three or more family household with non-family members present
- Non-family household
  - Lone person household
  - Group household
- Not classifiable
  - Not classifiable
  - Visitor only dwelling
  - Other not classifiable
- Not stated/inadequately described

## **Relationship in Household**

15.16 Statistics on relationships within households provide information on the familial relationships between persons residing within the same household. Operationally, Relationship in Household describes the familial and non-familial relationship of each person within each family in a given household. The familial relationship within each family is measured with reference to a family reference person chosen for that particular family.

15.17 The Relationship in Household classification has a two level hierarchical structure: major group and detailed minor group. The major groups are distinguished from each other in terms of the presence or absence of residency, family membership, and relationship to reference person within the household. The major groups are:

- 1 Husband, wife or partner
- 2 Lone parent
- 3 Child under 15
- 4 Dependent student
- 5 Non-dependent student
- 6 Other related individual
- 7 Non-family member
- 8 Visitor

15.18 The minor group provides more detailed information about the relationship within the household. For example, a child under 15 years of age is further classified as being: a natural or adopted child; a step child; a foster child; an otherwise related child; or an unrelated child.

## **Family Type**

15.19 Statistics on family type are used to identify family structures, and are used extensively in measures of the social wellbeing of families. Operationally a family is defined as two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering, and who are usually resident in the same household.

15.20 The Family Type classification has a four level hierarchical structure: super group (the broadest level); major group; minor group; and detailed group (the finest level). The super groups are distinguished from each other on the presence or absence of a couple relationship, parent-child relationship, or other blood relationship. The four super groups are:

- 1 Couple family with children
- 2 Couple family without children
- 3 One parent family
- 4 Other family

15.21 The major group, minor group and detailed group provide increasingly detailed dissections of the broad categories. In addition to the four distinct levels, information about the 'type of couple' is provided to distinguish the sex of partners in couple relationships.

## **Relationship between families**

15.22 Statistics on relationships between families are used to identify extended families living within households, and to facilitate the analysis of family networks and the complexities of family life. Data about the types of extended families within households are mainly gathered through questions on relationship in household. Relationships within families are assigned through the initial identification of a family reference person around whom the family may be constructed. Familial or non-familial relationships are established by examining the relationships between the reference persons of each family. The relationships between families that are distinguished are:

- Mother's/father's family
- Grandparent's family
- Son's/daughter's family
- Grandchild's family
- Brother's/sister's family
- Other related family
- Unrelated family

## EDUCATION

15.23 A standard classification of educational activity, the Australian Standard Classification of Education (ASCED), was released in 2001.

15.24 The ASCED has been developed to classify educational activity by the level and field of the activity. It also provides the flexibility to report statistics on different aspects of education such as enrolments, resources (human and financial) used, or the educational attainment of the population. ASCED has been designed to be applied to a number of education-related concepts, such as a 'qualification', a 'unit of study', a 'module' or a 'course'. The classification includes all pre-primary, primary and secondary education as well as all formal post-secondary education and training. ASCED classifies education according to two elements: level of education; and field of education. These elements are described below and can be used separately or in combination. For further information, refer to **Information Paper: Australian Standard Classification of Education (ASCED)** (Cat. no. 1271.0).

### Level of education

15.25 Level of education is a function of the quality and quantity of learning associated with an educational activity and can, in theory, be assessed in terms of the following criteria: the theoretical and vocational orientation of the educational activity; the minimum entry requirements for the educational activity (i.e. the minimum amount of prior education needed to undertake the educational activity at that level); and the course length (or notional duration of the educational activity).

15.26 The level of education classification has nine broad levels:

- 1 Postgraduate Degree Level
- 2 Graduate Diploma and Graduate Certificate Level
- 3 Bachelor Degree Level
- 4 Advanced Diploma and Diploma Level
- 5 Certificate Level
- 6 Secondary Education
- 7 Primary Education
- 8 Pre-Primary Education
- 9 Other Education

### Field of education

15.27 Field of education refers to the subject matter included in an educational activity. Fields of education are related to each other through the number of subjects they have in common,

through the broad purposes for which the study is undertaken, and through the theoretical knowledge which underpins the subject matter. Fields of education are classified into progressively broader groups according to the following criteria: the theoretical content of the course; the purpose of learning; the objects of interest; the methods and techniques; and the tools and equipment.

15.28 The Field of Study Classification consists of three hierarchical levels; Broad Field; Narrow Field; and Detailed Field. The detailed fields aggregate into narrow fields and the narrow fields in turn aggregate into broad fields. The Broad Field categories are:

- 1 Natural and Physical Sciences
- 2 Information Technology
- 3 Engineering and Related Technologies
- 4 Architecture and Building
- 5 Agriculture, Environmental and Related Studies
- 6 Health
- 7 Education
- 8 Management and Commerce
- 9 Society and Culture
- 10 Creative Arts
- 11 Food, Hospitality and Personal Services
- 12 Mixed Field Programmes

## LANGUAGE VARIABLES

15.29 The development of Australia as a multicultural society and the subsequent wider interest in constructing statistical profiles of particular ethnic or cultural population groups has, over the years, increased the use of and need for quality language data. To meet these growing needs, the ABS has incorporated language questions in a range of social statistics collections. Variables collected include 'main language spoken at home', 'first language spoken', and 'proficiency in spoken English'.

15.30 The output classifications for both the 'main language spoken at home' and 'first language spoken' variables distinguish between English and other languages. Other languages are classified according to the **Australian Standard Classification of Languages** (Cat. no. 1267.0), and readers should refer to this publication for more information on the issue of what constitutes a language as well as for further information on the classification itself.

15.31 Questions on 'proficiency in spoken English' are asked only of persons who speak languages other than English at home or whose first language spoken was other than English. Respondents are asked to classify themselves as speaking English: very well; well; not well; or not at all.

## INDIGENOUS STATUS

15.32 The term Indigenous is used to refer to Australian Aboriginal people and Torres Strait Islanders. Identification of Indigenous peoples is required to build statistical profiles of them across a wide range of areas of social and economic concern. The 'Commonwealth working definition' of an Aboriginal or Torres Strait Islander is "a person of Aboriginal or Torres Strait Islander descent who identifies as an Aboriginal or Torres Strait Islander and is accepted as such by the community in which he or she lives"<sup>1</sup>. In ABS statistical collections, it is not feasible to collect information on the community acceptance part of this definition, and therefore questions on Indigenous Status relate to descent and self-identification only. In practice, people are asked if they are of Aboriginal or Torres Strait Islander origin. Those who identify themselves as of

Aboriginal and/or Torres Strait Islander origin are classified as Indigenous persons.

**1. Department of Aboriginal Affairs 1981, Report on a review of the administration of the working definition of Aboriginal and Torres Strait Islanders.**

15.33 The classification (see below) for Indigenous Status has a hierarchical structure comprising two levels. There are four Indigenous Status categories at the detailed level of the classification which are grouped to two categories at the broader level. There is one supplementary category. The classification is often only available at the broader level. For further information, refer to **Standards for Statistics on Cultural and Language Diversity** (Cat. no. 1289.0).

- Indigenous
  - Aboriginal but not Torres Strait Islander Origin
  - Torres Strait Islander Origin but not Aboriginal
  - Both Aboriginal and Torres Strait Islander Origin
- Non-Indigenous
  - Neither Aboriginal nor Torres Strait Islander Origin
- Not Stated

## **GEOGRAPHIC CLASSIFICATIONS**

15.34 There are two geographic classifications used by the ABS for the collection and dissemination of geographical statistics: the Australian Standard Geographical Classification (ASGC); and the Standard Australian Classification of Countries (SACC). The ASGC divides Australia into a number of geographical hierarchies to suit different statistical purposes. The SACC is a classification of countries based on the concept of geographic proximity. Both classifications are used in the collection and dissemination of ABS labour-related statistics. They are discussed further below.

### **AUSTRALIAN STANDARD GEOGRAPHICAL CLASSIFICATION (ASGC)**

15.35 The ASGC is a hierarchical classification system consisting of six interrelated classification structures. The ASGC provides a common framework of statistical geography and thereby enables the production of statistics which are comparable and can be spatially integrated.

15.36 In practice, statistical units such as households and businesses are first classified or assigned to a geographical area in one of the six ASGC structures. Data collected from these statistical units are then compiled into ASGC-defined geographic aggregations which, subject to confidentiality restrictions, are then available for publication.

15.37 The six interrelated classification structures of the ASGC are:

- Main Structure;
- Local Government Area Structure;
- Statistical District Structure;



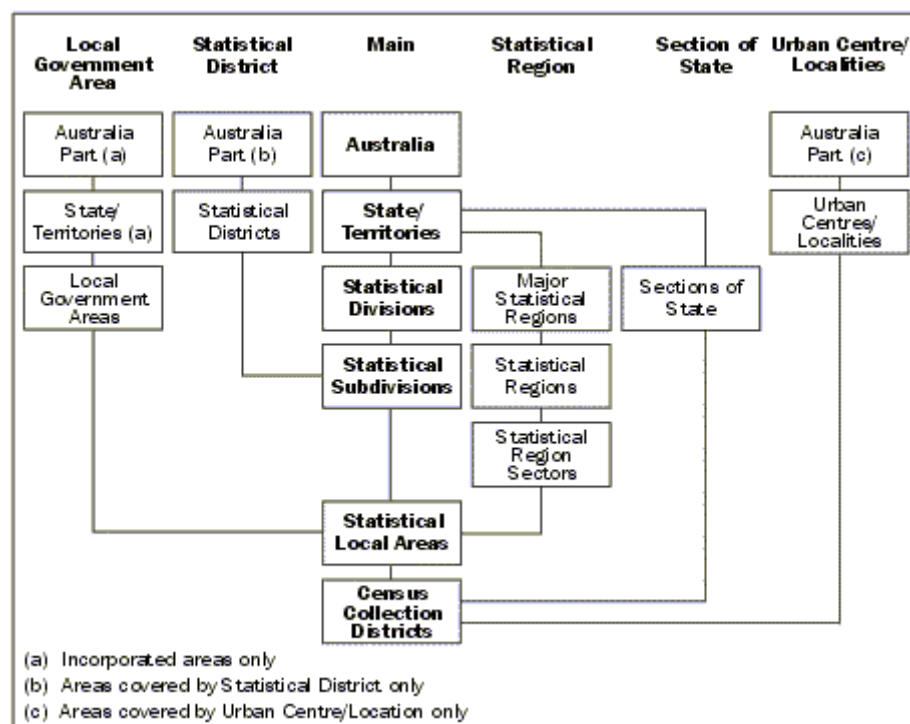
- Statistical Region Structure;
- Urban Centre/Locality Structure; and
- Section of State Structure.

15.38 Each of these structures serves a specific purpose. In Census of Population and Housing years (e.g. 1986, 1991, 1996), all six structures of the ASGC are used. In intercensal years, only the first four structures are used.

15.39 The Main Structure, the Statistical Region Structure and the Section of State Structure cover the whole of Australia without gaps or overlaps. The other structures cover only part of Australia. These structures are hierarchical, with different structures having different numbers of levels (see diagram 15.1). Each hierarchical level is made up of one type of **geographical spatial unit** (geographical area). The spatial units at each higher level are aggregations of the spatial units at the previous lower level.

15.40 The diagram below depicts the various ASGC structures and shows how they interrelate.

### 15.1 ASGC STRUCTURE



15.41 The spatial units (geographic areas) in the structures of the ASGC are described in below.

- States and Territories (S/Ts) - these are the largest spatial units in the ASGC. Six States and five Territories are included: New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, Northern Territory, Australian Capital Territory, Jervis Bay Territory and the external territories of Christmas Island and Cocos (Keeling) Islands. Except for the last three mentioned territories, the total area of each S/T, including their off-shore islands, is used for statistical purposes as a separate spatial unit in the ASGC. Jervis Bay Territory, and the territories of Christmas Island and Cocos (Keeling) Islands are included as one spatial unit at the S/T level under the category of Other Territories.
- Statistical Divisions (SDs) - SDs are large, general purpose regional type spatial units used

widely in the compilation of ABS statistics. They consist of one or more SSDs and cover the whole of Australia without gaps or overlaps. SDs aggregate to form S/Ts. They do not cross State or Territory boundaries, except in the case of the Other Territories SD which comprises the Jervis Bay Territory and the territories of Christmas Island and Cocos (Keeling) Islands.

- Statistical Subdivisions (SSDs) - SSDs are general purpose spatial units of intermediate size between the SLA (smaller) and the SD (larger) in the ASGC Main Structure. SSDs are aggregates of Statistical Local Areas (SLAs) and cover the whole of Australia without gaps or overlaps. They do not cross SD or S/T boundaries except in the case of the Other Territories SSD, which comprises the three territories of Jervis Bay, Christmas Island and Cocos (Keeling) Islands. SSDs also aggregate to Statistical Districts in the Statistical District Structure.
- Statistical Local Areas (SLAs) - SLAs are the base spatial units used to collect and disseminate statistics other than those collected from the Censuses of Population and Housing. In non-census years, the SLA is the smallest unit defined in the ASGC. In census years, an SLA consists of one or more whole Census Collection Districts (CDs). In aggregate, SLAs cover the whole of Australia without gaps or overlaps. SLAs are based on the boundaries of incorporated bodies of local government where these exist. These bodies are the Local Government Councils and the geographical areas which they administer are known as Local Government Areas (LGAs). SLAs can be whole or part LGAs. In the remainder of Australia where there is no incorporated body of local government, SLAs are defined to cover the unincorporated areas. At 1 July 1998 there were 1,332 SLAs in Australia (**Australian Standard Geographical Classification (ASGC) 1998 Edition** (Cat. no. 1216.0)).
- Census Collection Districts (CDs) - The smallest spatial unit in the ASGC in census years, the CD is designed for the collection and dissemination of Census of Population and Housing data. In non-census years, CDs are undefined. Generally, a CD defines an area that one census collector can cover for distribution and collection of forms in about a ten day period. CDs aggregate directly to form the larger spatial units of SLAs, Sections of State (SOS) and Urban Centres/Localities (UC/Ls). In aggregate, CDs cover the whole of Australia without gaps or overlaps. For the 1996 Census, 34,500 CDs were defined throughout Australia.
- Local Government Areas (LGAs) - LGAs consist of one or more SLAs and cover only incorporated areas of Australia. Incorporated areas are legally designated areas such as cities, towns and shires, over which incorporated local governments have responsibility.
- Major Statistical Regions (MSRs) - These units cover the whole of Australia without gaps or overlaps. Each MSR consists of one or more Statistical Regions. MSRs do not cross State/Territory boundaries (except in the case of Other Territories) and serve the same purpose as Statistical Regions, but at a broader level. The larger States are dissected into two MSRs, but because of population size, Tasmania, Northern Territory, Australian Capital Territory and Other Territories each have only one MSR defined.
- Statistical Regions (SRs) - SRs are designed primarily as sufficiently large regional type spatial units suitable for both Population Census and Labour Force statistics. Each SR consists of one or more Statistical Region Sectors.
- Statistical Region Sectors (SRSs) - These units consist of one or more SLAs. They are used primarily for disseminating selected Population Census and Labour Force Survey statistics. SRSs are designed to be subdivisions of SRs, but in practice most SRSs equate with SRs.

- Statistical Districts (S Dists) - S Dists are significant predominantly urban areas in Australia which are not located within a Capital City SD. The boundaries are designed to contain the anticipated urban spread of the area for at least 20 years. They are generally defined around one or more urban centres with a population of 25,000 or more. S Dists consist of one or more SSDs and can straddle State and Territory boundaries (e.g. Gold Coast - Tweed S Dist lies partly in Queensland and partly in New South Wales).
- Urban Centres and Localities (UC/Ls) - UC/Ls are defined for each Census of Population and Housing (undefined in non-census years) and consist of one or more whole adjoining CDs which meet certain population size and other criteria. Localities represent population clusters between 200 and 999 people while Urban Centres represent population clusters of 1,000 or more people. Because of their nature UC/Ls can straddle SLA, LGA, SSD and other ASGC spatial unit boundaries. For statistical purposes, people living in Urban Centres are classified as urban while those in Localities are classified as rural.
- Sections of State (SOS) - These spatial units are defined for each Census of Population and Housing (undefined in non-census years). Like the UC/L structure, the SOS structure of the ASGC uses population counts from the Census of Population and Housing to distinguish CDs between urban and rural. Unlike the UC/L structure, the SOS structure covers all of Australia. Each SOS represents an aggregation of non-contiguous CDs of a particular urban/rural type. The current SOS structure comprises the following categories: Major Urban, Other Urban, Bounded Locality, Rural Balance, and Migratory.

15.42 For further information about the ASGC refer to the **Australian Standard Geographical Classification (ASGC)** (Cat. no. 1216.0).

## **STANDARD AUSTRALIAN CLASSIFICATION OF COUNTRIES (SACC)**

15.43 The SACC groups neighbouring countries into progressively broader geographic areas on the basis of their similarity in terms of social, cultural, economic and political characteristics. The SACC is the revised edition of the Australian Standard Classification of Countries for Social Statistics (ASCCSS). In addition to making it suitable for economic statistics, a revised edition was required to deal with political change in Eastern Europe (particularly the breakup of the former USSR and former Yugoslavia) and to allow for a more stringent application of the classification criteria in both Europe and surrounding areas such as the Middle East and parts of Asia. The SACC also incorporates previous revisions to the ASCCSS.

15.44 The base units in the classification are 'countries'. The 'countries' identified in the classification are of five types:

- fully independent countries (excluding their dependencies, external territories, etc.);
- administrative subdivisions of the United Kingdom (England, Scotland, Wales and Northern Ireland);
- external territories and dependencies of independent countries, for example, Falkland Islands, Martinique;
- units which are recognised geographic areas, the ownership or control of which is in dispute, e.g. West Bank/Gaza Strip; and
- residual categories ('not elsewhere classified' categories) consisting of geographic areas which are not separately identified in the classification and which are not part of one of the separately identified base level units.

15.45 The classification includes all countries currently existing in the world, as defined above.

15.46 The SACC has a hierarchy consisting of three levels:

- the third and most detailed level contains 245 discrete Countries;
- the second level contains 27 Minor Groups which are groups of geographically proximate Countries similar in terms of social, cultural, economic and political characteristics; and
- the first and most general level contains 9 Major Groups which are formed by aggregating geographically proximate Minor Groups and, therefore, comprise Countries which are broadly similar in terms of social, cultural, economic and political characteristics.

15.47 The nine Major Groups of the classification are:

- 1 Oceania and Antarctica
- 2 North-West Europe
- 3 Southern and Eastern Europe
- 4 North Africa and the Middle East
- 5 South-East Asia
- 6 North-East Asia
- 7 Southern and Central Asia
- 8 Americas
- 9 Sub-Saharan Africa

15.48 For further information about the SACC please refer to **Standard Australian Classification of Countries (SACC)** (Cat. no. 1269.0).

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